

## Message Text

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ACTION EB-08

INFO OCT-01 EUR-12 ISO-00 DODE-00 NSAE-00 ICA-11  
TRSE-00 SOE-02 DOE-15 CIAE-00 COME-00 /049 W  
-----028731 010152Z /15  
R 312132Z MAY 78  
FM AMEMBASSY PARIS  
TO SECSTATE WASHDC 2389

C O N F I D E N T I A L SECTION 01 OF 02 PARIS 17307

USOECD

EXCON

E.O. 11652: XGDS-1  
TAGS: ESTC, COCOM  
SUBJECT: RECONDITIONED STRATEGIC EQUIPMENT

REF: (A) STATE 120758, (B) PARIS 05993, (C) COCOM DOC.  
PROC (77) 3.5

1. USDEL CALLED ON BELGIAN DEL WILLY STEVENS MAY 25 TO DISCUSS RECONDITIONING EQUIPMENT ISSUE. USDEL REVIEWED US PROPOSAL WITH BELGIAN DEL PURSUANT REFTTEL A AND STATED THAT US AUTHORITIES WERE NOT CLEAR WHY BELGIUM AND OTHER DELEGATIONS OPPOSED US PLAN - COCOM DOC. PROC (77) 3.5. USDEL ALSO SAID THAT US AUTHORITIES WOULD LIKE ADDITIONAL DETAILS ON BELGIAN SUGGESTION TO PERMIT THEM TO STUDY IT FURTHER.

2. BELGIAN DEL EXPLAINED THAT MOST PROBLEMATIC ASPECT OF U.S. PROPOSAL (COCOM DOC. PROC (77) 3.5.) WAS THE APPARENT REQUIREMENT THAT, IN SUBMITTING RECONDITIONING EXCEPTION REQUESTS OR NOTE LISTINGS, THE PROPOSING COUNTRY WOULD HAVE TO PROVIDE INFORMATION ON THE ORIGINAL EXCEPTION REQUESTS APPROVALS  
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RELATED TO THE EQUIPMENT TO BE RECONDITIONED. IT WAS ALSO NOT CLEAR HOW MUCH INFORMATION AND WHAT DEGREE OF SPECIFICITY WOULD BE REQUIRED FOR SUCH AN EXCEPTION REQUEST. BELGIAN DEL STATED THE BURDEN OF OBTAINING ALL THE INFORMATION ON ORIGINAL EXCEPTION REQUESTS PRIOR TO THE ACTUAL RECONDITIONING WOULD UNDERCUT THE VIABILITY OF CATERING TO THE POTENTIAL MARKET IN

THE EAST FOR RECONDITIONING SUCH ITEMS AS MAGNETIC HEADS. IT WOULD NOT BE FEASIBLE, HE SAID, FOR A FIRM TO OBTAIN ORIGINAL EXCEPTION REQUEST INFORMATION ON EACH AND EVERY MAGNETIC HEAD PRIOR TO RECONDITIONING. THE BELGIAN DEL ALSO STATED HE WAS NOT CLEAR WHETHER UNDER THE U.S. PLAN SUBSEQUENT EXCEPTION REQUESTS OR NOTE LISTINGS REQUESTS WOULD HAVE TO BE PRESENTED FOR THE RECONDITIONING OF THE SAME KIND OF EQUIPMENT FROM DIFFERENT END-USERS IN THE EAST.

3. STEVENS STRESSED THAT THE ADVANTAGE HE SAW IN SUGGESTED NEW FORMULA WAS THAT ONLY A GENERAL DESCRIPTION WOULD INITIALLY HAVE TO BE GIVEN OF THE ITEMS TO BE RECONDITIONED AND THE OVERALL SIZE OR QUANTITY OF MARKET TO BE SERVICED. FOR EXAMPLE, PROPOSING MEMBER MIGHT INDICATE THAT A SPECIFIC FIRM PLANNED TO RECONDITION APPROXIMATELY 250 WESTERN MADE MAGNETIC HEADS OF SPECIFIC TYPES WITHIN PERIOD OF A YEAR. THE DETAILS WOULD BE PROVIDED ON A POST HOC BASIS FOR THE ITEMS ACTUALLY RECONDITIONED, RATHER THAN AT THE INITIAL STAGE WHEN IT WAS STILL UNCLEAR WHICH HEADS WOULD IN FACT REQUIRE RECONDITIONING. THESE REPORTS COULD BE REVIEWED, HE SAID TO INSURE THAT NO DOUBLE EXPORTS OCCURRED OR TO ALLAY ANY FEARS OF DIVERSION. THE COMMITTEE WOULD HAVE THESE REPORTS TO ASSES WHETHER OR NOT TO EXTEND

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THE "PERIODIC LICENSE" TO HANDLE SUCH RECONDITIONING. THE PROPOSING MEMBER WOULD HAVE TO REQUEST COMMITTEE APPROVAL FOR SUCH EXTENSIONS.

4. BELGIAN DEL ALSO REFERRED TO GERMAN OPPOSITION TO US COUNTERPROPOSAL AND NOTED IN PARTICULAR GERMAN STATEMENT IN PARA 4 OF COCOM DOC. PROC (77) 3.7 OPPOSING ANY DIMINUTION OF THE PRINCIPLE OF EQUAL TREATMENT FOR ALL APPLICANTS. GERMANS HAD HCONCLUDED, HE SAID, THAT UNDER US PROPOSAL RECONDITIONING CARRIED OUT BY A SUBSIDIARY OR BY A LICENSEE OF THE ORIGINAL

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TRSE-00 SOE-02 DOE-15 CIAE-00 COME-00 /049 W  
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C O N F I D E N T I A L SECTION 02 OF 02 PARIS 17307

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EXPORTER WOULD RECEIVE PREFERENTIAL TREATMENT. (SEVER-  
AL OTHER DELEGATIONS SUPPORTED THE GERMANS ON THIS  
POINT.)

5. BELGIAN DEL ALSO INFORMED USDEL THAT HIS AUTHOR-  
ITIES WERE NOW CONSIDERING PROPOSING A NOTE TO IL 1572  
WHICH WOULD PERMIT RECONDITIONING OF MAGNETIC HEADS  
UNDER SPECIFIED CONDITIONS. HE HOPED TO HAVE SOME  
SPECIFIC LANGUAGE TO SHOW TO USDEL ON EITHER SUCH A  
DEF NOTE PROPOSAL OR RECONDITIONING PROCEDURE OUTLINED  
REF B AND EXPLAINED IN PARA 3 ABOVE IN THE NEXT FEW  
WEEKS.

6. AS INDICATED ABOVE IT IS THE BELGIAN DEL'S UNDER-  
STANDING (AND USDEL'S AS WELL) THAT THE ESSENTIAL  
DIFFERENCE BETWEEN THE U.S. PROPOSAL AND THE BELGIAN  
SUGGESTED PLAN IS THAT, UNDER THE FORMER, INFORMATION  
OF ORIGINAL EXCEPTION REQUESTS AND OTHER PERTINENT  
DETAILS ON THE EQUIPMENT TO BE RECONDITIONED WOULD  
HAVE TO BE SUBMITTED IN ADVANCE. UNDER BELGIAN PLAN,  
SUCH DETAILS ON THE EQUIPMENT WOULD BE PROVIDED AFTER  
THE RECONDITIONING HAS BEEN COMPLETED.

7. ACTION REQUESTED: PLEASE CONFIRM IF USDEL'S UNDER-  
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STANDING OF THE U.S. PROPOSAL IS CORRECT AND INDICATE  
WHAT TYPE OF INFORMATION WOULD BE REQUIRED FOR  
EXCEPTION REQUEST OR NOTE LISTING FOR RECONDITIONING  
EQUIPMENT UNDER U.S. COUNTERPROPOSAL. ALSO INDICATE  
SCOPE OF THE PHRASE IN THIS U.S. PROPOSAL "PARTICULAR  
ITEM OF EQUIPMENT IN THE CIRCUMSTANCES DESCRIBED."  
WOULD THIS PHRASE LIMIT FUTURE RECONDITIONING ONLY  
TO THE SPECIFIC MAGNETIC HEADS WHICH HAVE ALREADY  
BEEN COVERED BY RECONDITIONING EXCEPTION REQUESTS OR  
LISTINGS? OR WOULD THIS PHRASE COVER RECONDITIONING  
OF MAGNETIC HEADS OF A PARTICULAR MODEL EVEN IF  
DETAILS OF THE SPECIFIC HEADS ARE NOT MENTIONED IN  
THE EXCEPTION REQUESTS OR LISTINGS?  
SALZMAN

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## Message Attributes

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**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** POLICIES, STRATEGIC TRADE CONTROLS, EXPORT LICENSES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 31 may 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
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**Enclosure:** n/a  
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**Expiration:**  
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**Previous Handling Restrictions:** n/a  
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**Review Content Flags:**  
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**Review Event:**  
**Review Exemptions:** n/a  
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**Review Release Event:** n/a  
**Review Transfer Date:**  
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**Subject:** RECONDITIONED STRATEGIC EQUIPMENT  
**TAGS:** ESTC, FR, US, COCOM  
**To:** STATE  
**Type:** TE  
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**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
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20 Mar 2014  
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